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THE GOALS OF THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION FOR THE FIRST SESSION

OF THE

99TH CONGRESS

COMPLETED

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PRINTED AT THE DIRECTION OF

HON. JOHN C. DANFORTH, *Chairman*

FOR THE USE OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

UNITED STATES SENATE

MARCH 1986

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LETTER OF TRANSMITTAL

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC, February 26, 1986.

DEAR COLLEAGUE: To accompany the funding resolution adopted by the Committee on Commerce, Science, and Transportation for the second session of the 99th Congress, the Committee prepared a summary of its goals and objectives for the coming year. This summary, submitted to the Rules and Administration Committee on February 4, 1986, has been updated to include Committee activities since the beginning of this session. Attached is this updated summary of the Committee's goals and objectives.

I look forward to working with the members of this Committee as we make every effort to meet our goals as presented in this report.

Sincerely,

JOHN C. DANFORTH.

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GOALS AND OBJECTIVES

FULL COMMITTEE

Political Broadcasting

In 1985, the Committee held 2 days of hearings on S. 1310, the Clean Campaign Act of 1985. This legislation attempts to provide more accountability and balance in campaigns for federal elective office, which are increasingly being conducted via the electronic media. The Committee intends to hold further hearings on S. 1310, and to examine other legislative proposals that reflect increasing Congressional concerns about the need for campaign reform.

Liability Insurance

Because of growing concern about the unavailability and high cost of liability insurance for all lines of property-casualty coverage, the Committee intends to conduct comprehensive hearings on this subject during the second session. The Committee, which has had a long history of involvement with insurance matters, will examine the causes of the problem, its impact on commerce and consumers, possible remedies, and the role of the Federal Government.

Professional Sports Team Relocation Legislation

Recent moves by professional sports teams have demonstrated that the concerns of communities and fans are sometimes ignored when teams are relocated. Professional sports teams generate revenues and jobs, contribute significantly to civic pride, and enhance local economic development. In addition, many municipalities offer lucrative tax breaks and spend millions of dollars to provide suitable facilities for professional sports teams.

During the first session the Committee reported legislation clarifying the circumstances under which a professional sports team may move from one community to another. The primary objectives of this legislation, S. 259, are: (1) to stabilize the relationship between communities, professional sports teams, and leagues; and (2) to ensure equitable consideration of the interests of communities in which such teams are located. Senate consideration of S. 259 is expected during the second session.

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AVIATION

INTRODUCTION

The Committee exercises authorization and oversight jurisdiction over those federal entities responsible for U.S. domestic and international aviation policy: The Department of Transportation (DOT) and the Federal Aviation Administration (FAA). Prior to January 1, 1985, the Committee was also responsible for authorizing and overseeing the Civil Aeronautics Board (CAB). Pursuant to the provisions of the Federal Aviation Act of 1958, as amended by the CAB Sunset Act (P.L. 98–443), the functions of the CAB have been terminated or transferred to DOT. The Committee also authorizes the nation's aviation programs, and the National Transportation Safety Board (NTSB).

AUTHORIZATIONS

THE AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982

This act, one of the nation's most important aviation laws, reauthorized the Airport and Airway Trust Fund, a user fee-funded account established by the Airport and Airway Revenue Act of 1970.

The Airport and Airway Act and the Trust Fund define and fund, respectively, two programs intended to ensure the continued safe operation of the nation's airspace system. The first program, the Airport Improvement Program, is essentially a continuation of the grants-in-aid to airports program previously known as the Airport Development Aid Program. The second program established by the 1982 act, the Airway Improvement Program, funds FAA programs which operate and maintain the national air navigation system. Under this program monies are appropriated for facilities and equipment; research engineering and development; and a portion of the operations and maintenance expenses of air navigation facilities.

The Airport and Airway Act of 1982 authorized these programs for five years; unless reauthorized, they will expire on September 30, 1987. The Committee supports the continued development of the nation's airspace system and its airports, and is concerned that these programs remain on schedule. The Committee is also concerned with the possible impact of new deficit reduction legislation on aviation spending, especially where aviation safety could be jeopardized. The Committee has already scheduled hearings on this subject, and will continue to monitor this and related issues in hearings to reauthorize the Airport and Airway Act. Such hearings will be held throughout the legislative session.

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NATIONAL TRANSPORTATION SAFETY BOARD

NTSB is an independent agency, charged with determining the probable cause(s) of transportation accidents and promoting transportation safety. Although NTSB's charter is the Independent Safety Board Act of 1974, its accident investigation origins can be found in the Air Commerce Act of 1926. Since 1966 NTSB has investigated accidents in all modes of transportation (including aviation, highway, marine, rail and pipeline), as well as accidents involving the release of hazardous materials.

Appropriations for NTSB were last authorized, for a three-year period, in 1983. Accordingly, to ensure the continued operations of this important independent agency, the Committee will hold hearings in this legislative session to authorize additional appropriations for NTSB.

OPERATIONS

SAFETY

Of all the Committee's aviation oversight responsibilities, safety remains that of foremost importance. In 1985, over 1,700 fatalities worldwide were attributed to aviation accidents. With those deaths very much in mind, the Committee intends to continue its investigation of aviation safety, and ways to improve it, throughout the legislative session.

In the first session of the 99th Congress, the Committee held hearings to examine the safety of the air traffic control system, the adequacy of the nation's aircraft inspection workforce, weather-related threats to aviation safety, and the safety record and practices of commuter airlines. In partial response to these hearings, and to other expressions of congressional concern, the Administration announced plans to hire additional air traffic controllers and safety inspectors. The Committee is vitally concerned that, in the attempt to curb the federal deficit, these initiatives in particular and aviation safety in general not be compromised.

AIRPORT SECURITY

In the wake of last summer's hijacking of TWA Flight 847 in Athens, the Commerce Committee held hearings on international airport security and air piracy. As a result of that hearing, legislation was introduced and passed by the Committee, and eventually signed into law by the President, which would encourage foreign governments to improve and better maintain security systems and procedures at airports throughout the world. The Committee strongly encourages foreign governments to comply with the spirit and the letter of that law, and expects DOT to continue to carry out vigorously its responsibilities under the statute. The Committee will continue to monitor airport security improvements both at home and abroad.

AIRPORT OPERATING RIGHTS

Late in the last legislative session, DOT, through the FAA, adopted a rule to permit the buying and selling of airline operating

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rights (slots) at U.S. "high-density rule" airports—Chicago's O'Hare, New York's LaGuardia, and Kennedy International, and Washington National. Under the rule, effective April 1, 1986, slots could be purchased, sold, traded, or leased. Ninety-five percent of the slots at the four airports would be allocated initially to the carriers now using them.

The Committee is concerned that the rule may have an adverse impact on air transportation. It has been alleged that the rule's proposed initial allocation constitutes a "windfall" to incumbent carriers, that new entrant carriers will find it more difficult to gain access to the high-density rule airports under the rule, that air service to mid-size communities will suffer, and that the rule will create a disincentive to create additional capacity at the four airports.

Legislation introduced by the chairman of the Aviation Subcommittee, and cosponsored by the Committee Chairman, Ranking Democrat, and other Committee members, would require DOT to rescind the rule until such time as the Committee can review its implication and likely impact on air transportation. Hearings on the legislation are already in progress.

METROPOLITAN WASHINGTON AIRPORTS

The FAA has operated both Washington National Airport and Washington Dulles International Airport since the airports opened. With one exception, they are the only federally-operated airports in the nation.

Since 1948, independent reports have suggested that Federal ownership of public commercial airports is inappropriate. In the first session of the 99th Congress the Commerce Committee held hearings on, and favorably reported, S. 1017, legislation to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority. That legislation is pending on the Senate calendar. The Committee remains concerned, however, with the day-to-day management of the airports and their future, and will continue to monitor these related issues.

COMPUTER RESERVATION SYSTEMS

A large percentage of travel agents use computerized reservation systems for flight information and booking purposes. Approximately 70 percent of these agents use systems owned by either United Airlines or American Airlines.

Despite these carriers' willingness to abandon the systems' most obvious biases—at the urging of the subcommittee—the Committee is concerned that the operation of these systems may continue to inhibit competition in the airline industry. The Committee will continue to review this situation periodically.

CIVIL AERONAUTICS BOARD FUNCTIONS AT DEPARTMENT OF TRANSPORTATION

On December 31, 1984, the CAB ceased to exist, pursuant to the provisions of the Federal Aviation Act of 1958. During the second session of the 98th Congress, the Committee devoted considerable attention to "sunsetting" the CAB in an orderly fashion.

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The result of these efforts was the CAB Sunset Act of 1984, which transferred several of the CAB's important residual functions to DOT. The Committee intends to exercise its oversight responsibility with regard to this transfer, and to hold hearings on the subject as necessary.

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BUSINESS, TRADE, AND TOURISM

INTRODUCTION

The Committee is responsible for oversight of the National Tourism Policy Act (P.L. 97-63). The act created the Travel and Tourism Administration, headed by an Under Secretary of Commerce for Travel and Tourism, as well as a Federal Tourism Policy Council and a Travel and Tourism Advisory Board to the Department of Commerce.

AUTHORIZATIONS

TRAVEL AND TOURISM

On May 9, 1985, the Committee reported S. 374 which provided funding for the U.S. Travel and Tourism Administration (USTTA) of $12 million, $13 million and $14 million for fiscal years 1986 through 1988 respectively. The Committee included USTTA in its reconciliation package. However, USTTA was not included in the fiscal year 1986 Budget Reconciliation conference report, H.R. 3128. On July 17, 1985, the House appropriated $12 million for fiscal year 1986 as part of the Departments of Commerce, Justice and State, the Judiciary and Related Agencies appropriations bill, H.R. 2965. In conference, the House and Senate agreed to appropriate $12 million for fiscal year 1986.

The Committee will continue its strong support of USTTA and will work closely with the Under Secretary of Commerce for Travel and Tourism to assure the existence of an aggressive international promotion of travel to and within the United States.

LIABILITY INSURANCE

The subcommittee held a hearing on December 3, 1985 to investigate the severe problems in the insurance industry. Members of the subcommittee are expected to play an active role in the hearings on this subject scheduled for the full Committee this year.

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COMMUNICATIONS

INTRODUCTION

The Committee will continue to provide guidance to the Federal Communications Commission (FCC), the executive branch, and the courts on national communications policy. Existing laws and regulations must be reviewed and revised where necessary to guarantee that the provision of communications goods and services to consumers is maintained and increased, and to ensure that competition is encouraged wherever possible.

AUTHORIZATIONS

FEDERAL COMMUNICATIONS COMMISSION

The FCC is the independent agency charged with regulating interstate and foreign communications by means of radio, television, telephone, wire, cable, and satellite. The existing FCC authorization expired in fiscal year 1985. Last session, the Committee reported legislation reauthorizing the Commission's activities through fiscal year 1987. The Committee anticipates that Congress will pass reauthorizing legislation this year, as well as legislation authorizing the Commission to recover a portion of costs incurred by its regulatory responsibilities through fees imposed on specified communications entities. The authorization and fee schedule were included in H.R. 3128, the fiscal year 1986 Budget Reconciliation conference report.

The Committee will hold further oversight hearings as needed, to ensure the orderly implementation of communications policy as established by Congress.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

The National Telecommunications and Information Administration (NTIA) is the principal executive branch advisor to the President on communications policy. NTIA was established in 1978 through consolidation of the Office of Telecommunications Policy in the Executive Office of the President and the Commerce Department's Office of Telecommunications.

In addition to this role, NTIA's responsibilities include: (1) prescribing policies for and managing Federal use of the radio frequency spectrum; (2) developing and presenting U.S. international telecommunications plans and policies, and coordinating U.S. Government positions for international telecommunications conferences with the Department of State, the FCC, and other agencies; (3) administering the Public Telecommunications Facilities Program (PTFP); (4) serving as a federal telecommunications research and study center, by providing expert technical support to other

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agencies, chiefly through the Institute for Telecommunications Sciences.

The Committee believes NTIA plays an important role in establishing and conveying U.S. policies and positions on domestic and international telecommunications issues. The Committee will review NTIA's present and future involvement in this area.

The Committee expects Congress to pass a multi-year reauthorization for NTIA this year.

CORPORATION FOR PUBLIC BROADCASTING

In 1985, the Committee reported legislation authorizing appropriations for the operations of the Corporation for Public Broadcasting (CPB) for fiscal years 1988–90. This legislation also reauthorized the PTFP, which is administered by NTIA, for fiscal years 1986–88. The Committee anticipates that Congress will complete action on this CPB/PTFP reauthorizing legislation this session.

Congress began this practice of multiyear, advanced funding in 1975, to provide the public broadcasting industry with additional insulation from Federal interference with program decisions. Advanced authorization also gives needed stability and planning capabilities to the industry.

In 1984, Congress twice passed CPB/PTFP authorization bills. On both occasions the President vetoed the bills, notifying Congress that these bills authorized funding levels that were "incompatible with the clear and urgent need to reduce Federal spending." The Committee recognizes the importance of the public broadcasting system and its need for adequate Federal support. At the same time, the Committee is well aware of Federal budget constraints, and has endeavored to strike an appropriate balance in its reauthorizing legislation. A third authorization bill, reported by the Committee during the first session, was included in H.R. 3128, the fiscal year 1986 Budget Reconciliation conference report.

The Committee also will examine alternative funding mechanisms for public broadcasting, in light of the continuing pressure on the federal budget.

Other Issues

DOMESTIC COMMON CARRIER ISSUES

The Consent Decree between AT&T and the Department of Justice required restructuring of the Bell system. The FCC is addressing the problems created by this massive and unprecedented divestiture for Federal and State regulators, for AT&T and the Regional Bell Operating Companies, for other participants in the telecommunications industry, and for the consumer.

The Committee will continue oversight of the FCC's implementation of the Consent Decree and related actions, as well as oversight of the FCC's efforts to promote competition in domestic communications services and equipment markets. Particular attention will be given to maintenance of universal telephone service and the impact of divestiture and regulatory action on emergency preparedness, national defense and security needs.

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The FCC's comprehensive reexamination of its access charge rules in 1986 will be closely scrutinized by the Committee. The Committee will also oversee the FCC's review of tariff proposals which would alter the manner in which local telephone companies recover their fixed (non-traffic sensitive) costs. As a related matter, the Committee will monitor the FCC's actions regarding competition in the local telephone exchange. Additionally, attention will be given to the FCC's investigation of special access and private line services.

Continuation of universal telephone service remains a primary concern of the Committee. The Committee will carefully monitor the effect the FCC's subscriber line charge order has on the industry and on consumers, particularly the poor, the elderly, and rural customers. The Committee will review the FCC's actions in this area, as well as other actions that increase local rates, to determine if legislation will be needed to ensure that access to basic telephone service remains universally available at reasonable rates.

The Committee will continue to take an interest in the FCC's implementation of equal access procedures and the FCC's actions regarding competition in the long distance telephone market. Additionally, the Committee will monitor the Commission's review of FCC policies involving the structure and operations of dominant carriers, particularly the Second and Third Computer Inquiries, and the effect of any policy revisions on competition. The Committee continues to be committed to the establishment of a sound and competitive telecommunications marketplace.

The Committee may hold hearings on whether the limitations imposed on the local Bell Operating Companies by the Consent Decree should be modified or lifted. Specifically, the Committee would examine whether the Bell Operating Companies should be permitted to provide certain long distance and information services and to manufacture equipment.

The Committee will also address whether legislation is needed to ensure that telephone service is universally available to handicapped persons.

INTERNATIONAL TELECOMMUNICATIONS AND TRADE

Carriers providing international telecommunications services and products are subject to a changing regulatory environment. These changes are a result of technological advancements, executive branch decisions, and FCC orders. Congress will play a major role in establishing and reviewing policy in this area, particularly as it affects domestic and international telecommunications services and products.

U.S. policymaking in international telecommunications continues to be divided among the various agencies of the executive branch and the FCC. The Committee emphasizes that coordinated activity is essential to United States preparedness for important international telecommunications conferences. Additionally, the Committee will examine conditions that affect the ability of United States' industries to compete effectively in international markets.

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The Committee will closely monitor the progress of companies granted applications by the FCC to offer alternatives to existing international organizations

BROADCAST AND CABLE

In the 98th Congress, the Committee originated broadcast deregulation legislation (S. 55), and the first major legislation governing cable telecommunications (S. 66), both of which passed the Senate. Broadcast legislation was not passed by the House of Representatives. The Committee will continue to examine broadcast issues, and will act on deregulation legislation as needed. Cable legislation was passed during the 98th Congress and was signed into law (P.L. 98–549). The Committee will continue to monitor the FCC as it implements this law.

The 1984 Cable Law does not prohibit the scrambling of satellite signals. With the advent of numerous plans to scramble programs, the Committee will monitor the process of scrambling, particularly in regard to the availability of decoders and the ability of home dish owners to receive certain scrambled signals at reasonable costs.

The D.C. Court of Appeals' decision declaring the "must-carry" rules unconstitutional has significant implications for our national communications policy. The Committee realizes that loss of the "must-carry" rules could have a serious effect on the viability of public television stations, new UHF stations and others that depend on cable carriage to reach their audiences. Last session, the Committee asked the FCC to review alternatives to the "must-carry" rules. The FCC currently is reconsidering these rules to determine if they can be redrafted to meet First Amendment concerns and changing circumstances in the industry.

Once the FCC finishes its rulemaking, it is likely the Committee will hold hearings to examine the Commission's decision.

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CONSUMER

INTRODUCTION

The last 15 years have seen the enactment of many far-reaching proposals to provide consumers with increased protection in such areas as product safety, poison-prevention packaging, warranties, unfair or deceptive practices, and unfair methods of competition.

In an effort to ensure that these programs are meeting Congressionally-mandated goals, the Committee will continue its oversight of agencies having responsibility for administering these programs and make appropriate recommendations to ensure their effective operation. In addition, the Committee will continue to focus on regulatory reform within the agencies under its jurisdiction to eliminate overlapping, duplicative, and ineffective regulations which often lead to higher costs for consumers and business.

The Committee also will examine other consumer protection legislation; moreover, it will continue its efforts to reform product liability law and to enact legislation to stabilize the relationship among communities, professional sports teams, and leagues.

AUTHORIZATIONS

FEDERAL TRADE COMMISSION

The Federal Trade Commission (FTC) is empowered to prevent "unfair methods of competition" and "unfair or deceptive acts or practices." The FTC Improvements Act of 1980 (P.L. 96–252) required, among other things, that the FTC undertake significant changes in its procedures for conducting investigations and rulemakings. During the 97th and 98th Congresses, the Committee monitored the agency's compliance with the Improvement Act and undertook a broader review of FTC activities in connection with the agency's reauthorization.

The FTC Improvements Act expired at the end of fiscal year 1982, however, and the FTC has been without an authorization since then. While legislation to reauthorize the FTC (S. 2439) was reported by the Committee in the 97th Congress, it was not considered by the full Senate. Again, during the 98th Congress, the Committee conducted additional hearings on the FTC and reported authorization legislation (S. 1714); however, the full Senate did not act on this measure.

During the first session of the 99th Congress, the Committee considered and again reported FTC authorization legislation. Development of this legislation, S. 1078, was facilitated by important compromises contained in the authorization legislation reported by the Committee during the previous Congress. On July 26, 1985, S. 1078 was approved by the full Senate. A conference committee is expected to convene during the second session to resolve differences be-

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tween the Senate and House-passed versions of S. 1078. The Committee also expects to hold oversight hearings during the second session on the activities of the FTC.

CONSUMER PRODUCT SAFETY COMMISSION

In 1972, Congress created the Consumer Product Safety Commission (CPSC) in an attempt to reduce consumer product related injuries and deaths in the United States. Since that time there has been concern that the agency has not been adequately effective in carrying out its statutory mandate. The Committee conducted extensive hearings on the CPSC during the 97th Congress and made several changes in the agency's statutory scheme (P.L. 97-35).

During the 98th Congress, the Committee conducted 4 days of CPSC reauthorization hearings. The Committee reported new authorization legislation for the agency on April 12, 1983. This measure passed on June 16 of that year; however, Congress never completed action on this reauthorization.

During the first session of the 99th Congress, the Committee again considered and reported CPSC authorization legislation, S. 1077. This legislation, which is similar to the authorizing legislation reported by the Committee in the 98th Congress, was approved by the full Senate on July 24, 1985. The Committee expects to complete reauthorization of the CPSC during the second session. During this session, the Committee also expects to hold oversight hearings for this important consumer protection agency.

OTHER ISSUES

PRODUCT LIABILITY LEGISLATION

For a number of years, the Committee has been in the forefront of legislative activities in the product liability area. This effort began in 1977 with the introduction of the first comprehensive legislation to address both the insurance and tort reform aspects of the problem. This was followed by enactment of the Product Liability Risk Retention Act of 1981 (P.L. 97-172) in the first session of the 97th Congress. During the second session of the same Congress, the Committee reported S. 2631, the Product Liability Act; however, the full Senate did not consider this measure to establish uniform product liability law. In the 98th Congress, this legislation was reintroduced as S. 44, and additional hearings were conducted by the Committee. Again, while this bill was reported by the Committee, it was not considered by the full Senate. Similar product liability legislation (S. 100) was reintroduced in the 99th Congress.

Following the Committee's failure to report S. 100 in May 1985, additional hearings were held in June on amendments to S. 100, which would establish an alternative claim system to resolve disputes between manufacturers and those injured by defective products and to provide expedited recovery for those injured by such products. In July, at the direction of the Chairman, the Committee staff prepared and released for public comment a working draft of product liability legislation that combined uniform Federal standards, along the lines of S. 100, with elements of those alternative claim system proposals. Between July and November 1985, the

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Committee received numerous public comments on this staff draft. After review of these comments, a second staff draft was released on November 27, 1985. (This draft was introduced as S. 1999 in December.) During the second session, the Committee expects to hold hearings on this revised staff working draft and to continue its efforts to address the question of product liability reform.

SMOKELESS TOBACCO LEGISLATION

During the first session of the 99th Congress, S. 1574, the Comprehensive Smokeless Tobacco and Health Education Act was referred to the Committee after it was reported by the Committee on Labor and Human Resources. This legislation, which has since been approved by Congress, and signed into law (P.L. 99–252), imposes new warning requirements with respect to the labeling and advertising of smokeless tobacco products, and requires regulation and enforcement of these requirements by the FTC. The Committee, which has a long history of involvement with legislation pertaining to the labeling and advertising of tobacco products, intends to continue its legislative efforts in this area.

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MERCHANT MARINE

INTRODUCTION

The Committee exercises authorization and oversight jurisdiction over the three federal agencies responsible for U.S. domestic and international maritime activities: the Maritime Administration (MarAd) within the DOT; the Federal Maritime Commission (FMC); and the Coast Guard. The Committee also exercises jurisdiction over the related laws affecting the maritime activities of the United States.

AUTHORIZATIONS

MARITIME ADMINISTRATION

The primary purpose of the Maritime Administration (MarAd) and its programs is to ensure a strong U.S. merchant marine by promoting a U.S.-flag shipping and the domestic shipbuilding industry in times of peace, and to ensure the defense readiness of both in the event of war or other national emergency.

Today, the maritime industry, including our vessels, shipbuilding companies, shipping companies, shipbuilding yards, and ports, provides jobs to approximately 1.5 million Americans and contributes $22 billion to our economy. Despite its importance to economic and national defense purposes, however, the maritime industry has declined over recent years and finds itself in a tenuous state. It depends upon and can be dramatically affected by federal programs administered by MarAd.

During the first session of the 99th Congress, the Committee reported and the Senate passed S. 679 authorizing funds for MarAd during fiscal year 1986. In the absence of authorizing legislation passed by the House of Representatives, the funding provisions of this measure were included in the fiscal year 1986 Budget Reconciliation conference report, H.R. 3128. The Committee will continue its efforts during the second session to gain passage of a fiscal year 1986 authorization and will consider a fiscal year 1987 MarAd program authorization.

FEDERAL MARITIME COMMISSION

The FMC, an independent agency, administers the regulatory provisions of U.S. policy relating to our domestic offshore and foreign ocean borne commerce. The Commission's main responsibilities include: the regulation of ocean carrier ratemaking in our foreign and domestic offshore trades; investigation of discriminatory rates and practices among shippers, carriers, terminal operators, and freight forwarders; licensing of independent ocean freight forwarders; and passenger vessel certification.

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The FMC's principal objective is to ensure that shippers transport and consumers receive goods and services at fair and equitable prices, through methods that comport with the shipping laws of the United States.

During the first session of the 99th Congress, the Committee reported and the Senate passed S. 679 authorizing funds for FMC during fiscal year 1986. The funding provisions of this legislation were included in the fiscal year 1986 Budget Reconciliation conference report, H.R. 3128. The Committee will continue its efforts during the second session to gain authorization of fiscal year 1986 funds for FMC and will consider a fiscal year 1987 FMC program authorization.

U.S. COAST GUARD

The Coast Guard is the principal Federal maritime safety and law enforcement agency. Over the years, the Coast Guard's role has been expanded substantially. It not only absorbed the International Ice Patrol, the old "Lifesaving Service," the Lighthouse Service, and the Bureau of Marine Inspection from the U.S. Customs Service and the Corps of Engineers, but was also assigned a variety of new responsibilities by virtue of laws passed by Congress in the 1970's. For example, the Coast Guard now plays a major role in interdicting illegal drug shipments into the United States. Since 1967, when it was moved from the Treasury Department, the Coast Guard has been part of the DOT.

The current authorization for the Coast Guard will expire at the end of fiscal year 1986. During the second session of the 99th Congress, the Committee will consider the fiscal year 1987 Coast Guard authorization and will entertain suggestions to improve the efficiency of the Coast Guard and reduce costs without impairing its safety and law enforcement functions.

BUILD AND CHARTER PROGRAM

A bill has been introduced to establish a revolving fund to support construction of commercial useful vessels which could be easily adapted to military use during times of national emergency. Such vessels would be sold or chartered to commercial operators while remaining available to the Federal Government as needed. Concern has been raised about the deterioration of the nation's shipbuilding capacity and the readiness of the naval reserve force. The build and charter program, with a revolving fund modeled after the "Mariner Fund" established during the Eisenhower administration, may provide an opportunity to bolster U.S. shipbuilding and the maritime component of the nation's defense capabilities.

The fiscal year 1986 Continuing Resolution includes provisions dedicating $852 million for the creation of the revolving fund. It also includes related provisions dedicating $228 million to procure, modernize for the Navy's Strategic Sealift Command, and then charter liner-type vessels for commercial purposes as part of the Mariner Fund. The expenditure of the funds is conditioned upon, among other things, the enactment of authorizing legislation. The Committee will consider this proposal during the second session of

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the 99th Congress to determine its desirability and potential benefits with reference to shipbuilding capacity, naval readiness, and other factors.

Other Issues

Over the years, support has been generated among congressional and industry leaders for a more effective and comprehensive maritime policy designed to bolster the U.S. merchant marine. The Committee will continue its efforts to facilitate any necessary and appropriate refinements of current law practices for this purpose.

Among the matters with which the Committee will be concerned are the following:

—The apparent instability in our trans-Pacific trades, the reasons therefore, and the responsibilities of the FMC under the Shipping Act of 1984;

—The continuing dialogue between the United States and the Consultative Shipping Group countries (CSG). This series of discussions has been ongoing for several years. Its purpose has been to explore a possible agreement on means by which ocean shipping trades can be kept open to competition in the wake of increasing protectionist pressures and the coming into force of the U.S. Code of Conduct for Liner Conferences. In particular, both sides seek to assure that their national flag carriers will be able to gain meaningful competitive access to other's trades with developing countries. The Committee's concern continues to be that any agreement fully protect the interest of U.S.-flag operators and U.S. shippers vis-a-vis their CSG counterparts;

—Although the U.S. does not have a policy of bilateralism, we do have government-to-government agreements with Brazil and Argentina, and are exploring the possibility of such agreements with the Soviet Union and the People's Republic of China. The Committee intends to monitor existing agreements and negotiations to assure that the interests of U.S.-flag operators and U.S. shippers are fully protected; and

—The ongoing shipping consultations with Japan, which include container and intermodal movements in Japan.

ALASKA VESSEL SERVICE

An issue of particular importance to some members of the Committee involves vessel service to Alaska. The goal of the Committee in this area will be to continue the development of a strong U.S.-flag waterborne transportation system for the continental United States to all parts of Alaska.

BARGE INDUSTRY

Of substantial concern to the Committee is the state of this nation's inland waterway transportation system. Many shipyards have closed, and many towboat and barge companies face bankruptcy. While many of the causes of this industry-wide recession stem from matters beyond the Committee's jurisdiction, certain maritime programs do have a significant impact on the barge industry and modifications of those programs may help to resolve the

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problems. During the second session of the 99th Congress, the Committee will review the operation of the Title XI loan guarantee program, the Capital Construction Fund, and other federal programs that may contribute to excess capacity and other difficulties. Efforts will be made to ensure that these programs are responsive to the needs of the inland waterway transportation industry.

CARGO RESERVATION

Cargo reservation has long served as a means of ensuring the existence of a merchant fleet by guaranteeing cargo for it to carry. It also serves to provide construction opportunities for domestic shipyards. The Jones Act and the Government-impelled cargo preference program are two examples of cargo reservation.

During consideration of the omnibus legislation reauthorizing federal agricultural programs (P.L. 99-198), Federal law was significantly modified in response to a U.S. District Court decision bringing the Department of Agriculture's "blended credit" program under the cargo preference requirements. The Committee will monitor activities under the resulting arrangement to ensure that it is effectively implemented as Congress intended.

DISCRIMINATION AGAINST U.S.-FLAG CARRIERS

In response to unilateral cargo reservation schemes by certain of our trading partners and discrimination against U.S.-flag carriers in the cross-trades, the FMC may utilize the provisions of section 19 of the Shipping Act, 1920 and section 13(b)(5) of the Ocean Shipping Act of 1984 to maintain free trade and continued U.S.-flag participation. Experience has shown that the more rapid and firm the U.S. response toward these anticompetitive measures, the less likely they will be fully implemented by the other nation.

The FMC has significant discretion as to whether to proceed rapidly or much more slowly. The Committee will continue to review implementation of the FMC's authority to ensure that discrimination by foreign nations or foreign-flag carriers is discouraged through an expeditious review and, if necessary, prompt application of suspension provisions.

REGULATION OF THE DOMESTIC OFFSHORE TRADES

The Committee remains concerned about regulation of the domestic offshore trades. Currently, ocean carriers may choose between Interstate Commerce Commission (ICC) and FMC jurisdiction. Not only is a choice of forum available to carriers, but also a choice of regulation. The Committee will continue its review of regulation of the domestic offshore trades with reference to the impacts of the disparate regulatory burdens imposed on shippers and consumers in the noncontiguous states and territories who are primarily dependent on waterborne transportation.

TITLE XI LOAN GUARANTEE PROGRAM

Two bills have been introduced, upon request of the administration, to reinstate the previous authority of the Secretaries of Transportation and Commerce to protect the interest of the Federal Gov-

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ernment under the Loan Guarantee Program of Title XI of the Merchant Marine Act, 1936. The Bankruptcy Reform Act of 1978 inadvertently eliminated the agency's ability to foreclose on the vessels of debtor shipowners who have defaulted and filed for bankruptcy. The Committee will consider the proposals during the second session of the 99th Congress.

CRUISE SHIPS

Two bills have been introduced to assist in the development of the domestic passenger ship industry. The Committee will consider these proposals during the second session of the 99th Congress with reference to the need for a modern fleet which contributes to sealift capability, the effects of the proposals on the objectives of the sabotage laws, and other factors.

LOAD LINES AND TONNAGE MEASUREMENT

Maritime carriers have expressed concern over the need to harmonize the existing laws applicable to load lines, so that cargo carrying capacity can be increased without undercutting safety objectives. In addition, efforts have been underway to establish uniform international tonnage vessel standards applicable in the United States.

The House of Representatives addressed both these issues when it passed H.R. 1362. The Committee will consider the bill during the second session with reference to the potential benefits of uniform laws governing load lines and tonnage measurements, keeping in mind the need to ensure safe working conditions and to avoid the imposition of hardships on businesses which have planned current operations around existing laws.

JONES ACT WAIVERS

Periodically, the Committee receives requests for a waiver of the Jones Act requirement that all vessels serving the domestic trades be built in the United States and have been continuously owned and operated under the U.S. flag. It is the Committee's responsibility to consider such requests individually, and to determine their potential impact on domestic commerce. When appropriate, the Committee will report implementing legislation.

WATERBORNE CARRIAGE OF U.S. MAIL IN INTERNATIONAL COMMERCE

Since 1981, the international sea transport of U.S. mails has been virtually monopolized by foreign operators, including Soviet bloc ships. In fiscal year 1983 for example, foreign-flag carriers were awarded 37 of the 45 contracts let by the Postal Service, and more recent statistics indicate no decline in this trend.

From a national security standpoint, the situation is very disquieting. For example, until recently a Warsaw Pact operator (Polish Ocean Lines) carried our mail between New York and Bremerhaven, Germany. It is not difficult to imagine what would happen in the event of a sudden international conflict when many of these foreign-flag vessels would no longer be available or might have divided loyalties.

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Apart from considerations of national security, it also appears that reinstatement of the U.S.-flag preference would enhance our express national maritime policy to promote the private U.S. merchant fleet.

To remedy this situation, the Committee reported legislation (S. 188) in the last Congress which would have reinstated a U.S.-flag preference for the mail of the United States. That measure was not considered by the full Senate, however. An identical measure (S. 186) is currently being considered by the Committee.

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NATIONAL OCEAN POLICY STUDY

INTRODUCTION

The National Ocean Policy study (NOPS), which the Committee administers, has oversight responsibility for all ocean-related issues. Established by Senate resolution, NOPS membership includes representatives from all standing committees that share an interest in ocean issues. Oversight jurisdiction of NOPS includes, among other matters, fisheries, marine mammals, coastal zone management, ocean energy and mineral resources, ocean pollution, and marine science.

It is generally recognized that many resources of the oceans are underutilized. The Committee feels that, through sound development and management, these assets can augment dwindling land-based supplies of energy and mineral resources as well as provide a large and sustainable source of food protein. Furthermore, some U.S. fishery resources which are currently harvested and processed by foreign nations can and should be fully utilized by the domestic fishing industry.

The Committee is conscious of the need to assure adequate environmental protection for the delicate natural balances found in the ocean ecosystem. It is the view of the Committee that the goals of development and environmental protection are not incompatible, but that great care must be taken in achieving a balance between them.

AUTHORIZATIONS

MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

The Magnuson Fishery Conservation and Management Act (MFCMA) extended the U.S. management authority over most fishery resources to 200 nautical miles from our nation's coastline. The act has been amended several times to encourage development of the United States' fishing industry for species which are currently underutilized. but foreign fishing fleets continue to harvest and process large quantities of fish within our 200-mile waters.

During the first session of the 99th Congress, the Committee reported S. 958, reauthorizing the MFCMA for fiscal years 1986 and 1987 and held hearings on amendments to the act which would improve fishery management and further promote domestic utilization of fishery resources. Authorizing legislation has not been enacted. The Committee will continue its efforts to reauthorize the MFCMA and improve the management and utilization of the nation's fishery resources.

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MARINE FISHERIES PROGRAM AUTHORIZATION ACT

The Marine Fisheries Program Authorization Act, S. 991, was reported by the Committee and passed by the Senate during the first session of the 99th Congress. It consolidates authorizations for the National Oceanic and Atmospheric Administration's (NOAA) marine fishery programs that are not otherwise explicitly authorized by provisions of other laws. Authorization of fiscal year 1986 and fiscal year 1987 funds were included for all three of the budget subactivities of NOAA's National Marine Fisheries Service: (1) information collection and analysis; (2) fishery conservation and management; and (3) State and industry assistance. The Committee will continue its efforts to achieve enactment of this authorization.

COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT

The Commercial Fisheries Research and Development Act authorizes the Secretary of Commerce to enter into cooperative research and development projects with states involving commercial fisheries resources. During the first session, the Committee reported and the Senate passed a reauthorization of the act, S. 991, for fiscal years 1986 and 1987. The Committee will continue to work for enactment of this authorization.

ANADROMOUS FISH CONSERVATION ACT

A fiscal year 1986–87 authorization for that portion of the Anadromous Fish Conservation Act that expired September 30, 1985, was reported by the Committee, S. 991, and passed by the Senate during the first session of the 99th Congress. The act allows the Federal Government to share with states the costs of conservation, development and enhancement of anadromous fish. Authorization for the section of the act dealing exclusively with striped bass research expires September 30, 1986. During the second session of the Congress, the Committee will consider authorization for striped bass research under the act and continue to work for enactment of the authorization for the remaining provisions of the act.

ATLANTIC TUNAS CONVENTION ACT

The Atlantic Tunas Convention Act expires September 30, 1986. The act implements the International Convention for the Conservation of Atlantic Tunas (ICCAT), which establishes a multinational organization to manage tuna in the Atlantic Ocean. The Atlantic Tunas Convention Act authorizes implementation and enforcement of ICCAT recommendations for persons and vessels subject to the jurisdiction of the United States. The Committee will review the funding level under this act during consideration of its reauthorization for fiscal year 1987.

OCEAN AND COASTAL PROGRAMS

During the first session, the Committee reported and the Senate passed S. 990, authorizing general program support for the NOAA and for its ocean and coastal programs during fiscal years 1986 and 1987.

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In the absence of authorizing legislation passed by the House of Representatives, those funding provisions, as well as a 5-year authorization of the Coastal Zone Management Act, were included in the fiscal year 1986 Budget Reconciliation conference report. The Committee will continue to work for enactment of authorization for these programs.

DEEP SEABED HARD MINERAL RESOURCES ACT

The Deep Seabed Hard Mineral Resources Act, providing for the development of deep seabed mining technology and activities consistent with protection of the marine environment, expires September 30, 1986. The Committee will consider reauthorization of the act during the second session of the 99th Congress.

OTHER ISSUES

PELAGIC DRIFTNET FISHING

Increasing attention is being given to the need to resolve the problems resulting from pelagic driftnets. Committee hearings were held in October 1985, focusing on the wasteful killing of North American-origin salmon, seabirds and marine mammals by the high seas driftnet fishing fleets of Japan, Republic of Korea, and Taiwan.

Driftnet fishermen from Japan harvest salmon on the high seas, taking large numbers of U.S.-origin salmon upon which American commercial, sport and subsistence fishermen are dependent. Negotiations with the Japanese Government to reduce their fishermen's harvest of U.S. salmon began in 1985 and extended into 1986. The Committee will continue to examine the high seas driftnet problem and press for solutions.

SEAFOOD MARKETING

During the 98th Congress, the Senate passed a bill establishing a national seafood marketing council to promote seafood consumption and expand markets for fishery products. In the first session of the 99th Congress, the House of Representatives passed a bill, H.R. 2935, providing for the voluntary establishment of regional seafood marketing councils. The Committee will hold hearings on seafood marketing during the second session to consider that measure and determine the most desirable means to enhance the marketing of seafood products.

FISHING VESSEL SAFETY AND INSURANCE

During the first session of the 99th Congress, the Committee held oversight hearings to investigate the problems associated with the hazardous nature of commercial fishing operations and the high price of liability and property insurance for fishing vessels. The work-related death rate for the commercial fishing industry is seven times higher than the national average for all industry groups. Rates for both hull and protection and indemnity insurance have sharply increased in recent years and some operators are unable to obtain insurance for their vessels at any cost.

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The Committee will continue to examine possible solutions to this problem and will consider additional legislation during the second session.

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SCIENCE, TECHNOLOGY, AND SPACE

INTRODUCTION

Under the Senate Rules, the Committee on Commerce, Science, and Transportation has jurisdiction over legislation relating to "Nonmilitary aeronautical and space sciences . . . weather and atmospheric activities . . . science, engineering, and technology research and development and policy . . . (and) standards and measurement." In addition, the Committee has oversight jurisdiction over "all matters relating to science and technology."

The Committee exercises this jurisdiction through the Subcommittee on Science, Technology, and Space.

AUTHORIZATIONS

SATELLITE PROGRAMS

NOAA's satellite programs include the procurement and operation of the Federal Government's weather satellite systems and collection and dissemination of weather satellite data. NOAA operates a geostationary satellite system and a polar-orbiting satellite system.

The geostationary operational environmental satellite (GOES) system consists of two satellites, which are in geosynchronous orbit over the equator at respective longitudes of 75° and 135° West. GOES satellites provide coverage of the continental United States and surrounding waters. GOES data are of critical importance to NOAA's weather forecasting. The Committee intends to support sufficient funding for GOES procurement to avoid gaps in service before a new generation of GOES satellites becomes operational in the 1990's.

The polar-orbiting satellite system consists of two satellites which orbit the earth. Each provides complete global coverage twice per day. Data from the polar-orbiters complement GOES data for forecasting purposes. The system's global coverage is of particular importance for long-term forecasting. The polar-orbiters also are used in the international search and rescue satellite-aided tracking (SARSAT) program, for which United States and Soviet satellites are equipped to locate distress signals from ships and planes.

In recognition of the need to reduce Federal spending, the Committee will consider carefully an anticipated proposal to reduce the polar-orbiting satellite system to a single satellite. The Committee will study the potential cost savings from such a reduction and will examine the possibility that other nations will fund the operation of a second satellite.

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ATMOSPHERIC PROGRAMS

The Committee is responsible for oversight of the preparation and dissemination of public warnings and forecasts by the National Weather Service and NOAA's atmospheric and hydrological research programs.

The Committee generally has supported restoration of proposed cuts to public warning and forecast services, but will reexamine these proposals in an effort to reduce Federal spending while maintaining weather services adequate to protect public safety and welfare.

A funding increase will be necessary for development of the next generation weather radar (NEXRAD) system, which the Departments of Commerce, Transportation, and Defense have undertaken to replace existing Federal weather radar units. The Committee assigns great importance to NEXRAD development, and intends to support a funding level sufficient to keep NEXRAD development on schedule.

Committee hearings will focus on the Committee's objective of reconciling budget targets with the maintenance of an adequate weather forecasting system and the timely development of NEXRAD.

WEATHER MODIFICATION REPORTING ACT

The Weather Modification Reporting Act requires that all weather modification experiments and activities within the United States be reported to the Secretary of Commerce. The Committee believes that the act is important because weather modification involves alteration of atmospheric conditions which are not fully understood and may affect areas other than the areas where the alterations are initiated.

The Committee believes that weather modification research may lead to technologies which will help alleviate extreme weather conditions, such as the drought conditions which often plague many African nations. The Committee recognizes, however, that weather modification should be monitored closely by the Federal Government, and the Committee will support reauthorization of the Weather Modification Reporting Act.

NATIONAL CLIMATE PROGRAM ACT

The National Climate Program Act of 1978 established mechanisms to coordinate federal research programs relating to natural and man-induced climate processes. The act designated NOAA as the lead agency in climate research and created a National Climate Program Office to manage the climate-related activities of NOAA, NASA, the National Science Foundation (NSF), and the Departments of Agriculture, Defense, Energy, and Interior.

The Committee will continue to support reauthorization of the act during the second session of the 99th Congress.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

National Aeronautics and Space Administration (NASA) has the primary Federal responsibility for research and development in

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aeronautics and space. The largest current program is the Space Transportation System, which supports the operation and maintenance of the space shuttle. Other major components of the agency are: (1) aeronautical research and technology; (2) space science and applications; (3) the space station program; (4) and tracking and data acquisition.

With the accident on January 28, 1986, involving the Space Shuttle Challenger and its crew, NASA has indefinitely suspended Space Shuttle operations and has initiated an investigation into the cause of the accident. It is now unclear how long the suspension of Shuttle operations will last, nor is it possible to predict how this accident will affect NASA's programs and activities. The Committee will assess the effect of this accident relative to certain space policy issues such as: (1) our nation's future space launch capabilities; (2) the commercial development of space; (3) space science and applications; (4) international competition and cooperation; and (5) the balance between civilian and military space programs. The Committee will also conduct a number of oversight hearings on the accident itself.

In fiscal year 1987, NASA is expected to continue the definition and design of the space station. Because the programmatic issues related to the funding, international participation, and the timing and extent of initial operating capability will become increasingly complex, the Committee will monitor these issues accordingly, taking into consideration the potential effect of the Shuttle accident on this program.

In March, the President's National Commission on Space will release its report on the long-range goals for our nation's space program. The Committee will carefully examine this report as a potential reference point for the direction and emphasis of NASA's future missions and activities.

With respect to aeronautics, foreign competition continues to challenge the longstanding, world-wide leadership of the U.S. aviation industry in aviation technology and sales. Mindful of this challenge, the Committee will focus on NASA's aeronautical development and applications programs as a means of maintaining U.S. civil and military aviation supremacy.

With the implementation of the Gramm-Rudman-Hollings deficit reduction initiative in fiscal year 1986, the Committee will give increased attention to the allocation of resources so as to ensure balance and continued progress within NASA's programs. The Committee will hold 4 to 5 days of hearings related to the fiscal year 1987 NASA authorization prior to reporting legislation, and will hold, as appropriate, other oversight hearings on issues related to aeronautics and space activities.

NATIONAL SCIENCE FOUNDATION

The NSF is the only Federal agency whose primary responsibility is the support of basic research in all sciences. The Foundation's fiscal year 1987 authorization bill will be referred sequentially to the Committee according to an agreement with the Committee on Labor and Human Resources. The Committee will prepare for reauthorizing the NSF budget by holding hearings with empha-

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sis on basic research and initiatives in engineering, supercomputers, and biotechnology. The Committee will focus on the primary responsibility of the Foundation to support fundamental scientific and engineering research.

NATIONAL BUREAU OF STANDARDS

The National Bureau of Standards (NBS) is responsible for the development of physical standards and measurement techniques which are essential for scientific, industrial, and commercial advancement. New standards and techniques are continually needed to keep pace with increasingly rapid technological developments and the resulting industrial and scientific requirements for more precise measurements.

The Committee will hold NBS authorization hearings during this session before reporting legislation. Areas of likely interest include Bureau activities in the rapidly growing biotechnology field and in advanced ceramics. The Committee will also be interested in the Bureau's activities in setting international standards.

OFFICE OF PRODUCTIVITY, TECHNOLOGY, AND INNOVATION

The Department of Commerce's Office of Productivity, Technology, and Innovation is responsible, among other things, for technology transfer functions under the Stevenson-Wydler Technology Innovation Act of 1980 and includes the Office of Metric Programs. The administration proposed phasing out the Office of Productivity in its fiscal year 1986 budget submission. Congress reauthorized the Office in the first session of the 99th Congress, and the Committee will consider reauthorizing the Office for fiscal year 1987.

NATIONAL TECHNICAL INFORMATION SERVICE

The National Technical Information Service provides technical and scientific documents produced by the Federal Government. It also acquires a small number of foreign technical documents. Most activities of the Service are self-supporting, although some operations receive an authorization and appropriation. The Committee will consider a fiscal year 1987 reauthorization level for the Service.

U.S. FIRE ADMINISTRATION AND THE FIRE ACADEMY

The United States Fire Administration and the Fire Academy were established by the Federal Fire Prevention and Control Act of 1974 to assist the states and firefighters in promoting fire prevention and control. Fire prevention and control are a matter of continuing national importance. Annually, fires still cause over 6,000 deaths and over $6 billion in direct property loss.

In 1986 the Committee will report a reauthorization bill after holding hearings on the fire program, giving special attention to fire prevention and to the adequacy and effectiveness of the program.

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OTHER ISSUES

DEPARTMENT OF TRANSPORTATION, OFFICE OF COMMERCIAL SPACE TRANSPORTATION

The Office of Commercial Space Transportation is responsible for licensing the commercial launches of expendable launch vehicles (ELV) and the commercial use of the associated facilities and launch services. The Committee will monitor the activities of this Office to ensure that the licenses are issued and transferred in a manner consistent with the intent of the enabling legislation. Also, the Office of Commercial Space Transportation is writing regulations for the implementation of the enabling legislation, and the Committee will likewise monitor the administration of these regulations.

As part of its oversight responsibilities, the Committee will conduct a hearing to assess the activities of the Office of Commercial Space Transportation and the development of the U.S. ELV industry.

FEDERAL FUNDING FOR BASIC RESEARCH

In recent years, there has been great concern over both the levels for Federal funding of basic research, and the unpredictable and vulnerable nature of that funding, given the characteristics of the Federal budget cycle. This will be of special concern in 1986, as Congress implements the Balanced Budget and Emergency Deficit Control Act of 1985. The consequences of under-investment or limits on investment in this vital function are not usually apparent in the near term and are hard to determine precisely in any event.

More than most other Federal budget categories, funding for basic research is divided among several committees with little coordination among them. Little progress has been made in developing stable funding for fundamental research especially in key scientific disciplines. Funding should include not only the conduct of the research itself, but the training of talented people to do the research, the equipping/re-equipping of research laboratories, and the construction or remodeling of research facilities. The Committee will be examining this issue and will consider hearings and legislation as appropriate.

NEW TECHNOLOGIES AND ECONOMIC COMPETITIVENESS

The increasing trade deficit in high technology products, such as computer chips, is one of the most disturbing elements of the country's problems in international trade. Foreign competitors have targeted some high technology industries for domestic development, and threaten formerly strong U.S. positions. Last year the Committee held a series of hearings on this subject following the release of the report of the President's Commission on Industrial Competitiveness, and will continue to monitor the implementation of recommendations in the report.

Three areas of special concern to the Committee are electronics, biotechnology, and optical fibers. These are areas of both great promise and strong international competition. The Committee will

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consider hearings and legislation as necessary to promote research and development in these areas.

JAPANESE TECHNICAL LITERATURE

In 1985 the Committee considered legislation to improve the Federal Government's ability to acquire, translate, and make available technical literature produced in Japan. The Senate passed S. 1073, the Japanese Technical Literature Act of 1985. S. 1073 is pending before the House of Representatives, which is working on similar legislation.

TECHNOLOGY TRANSFER

The United States invested $18 billion in 1985 in research at laboratories owned by the Federal Government. The Government can improved the productivity of American industry at the same time that it makes the research done at these laboratories more relevant by improving the transfer of technology from these laboratories to the private sector.

The Committee examined technology transfer in its hearings on productivity. As a result of those hearings and similar work in the House of Representatives, a bill, S. 1914, was introduced in the Senate, and a similar bill, H.R. 3773, passed the House. The purpose of this legislation is to open the federal laboratories to cooperative research with private companies, universities, and others; to formalize the Federal Laboratory Consortium for Technology Transfer; and to provide an adequate reward system for federal inventors. The Committee expects to report this legislation in 1986.

INTERNATIONAL SCIENCE

An increasing number of science policy issues in the United States involve foreign countries. These issues include international funding for and participation in large research facilities, such as particle accelerators and the space station; scientific research on global environmental problems, such as acid rain, ocean pollution, and climatic change; and developmental issues such as U.S. support for international research in the absence of participation in UNESCO. The Committee will continue to monitor these issues as they relate to its science policy oversight jurisdiction and as they affect agencies such as NASA, the NBS, the NSF, and NOAA.

ANTARCTICA

Sixteen nations, including the United States, are Consultative Parties to the 1959 Antarctic Treaty. The Treaty: (1) Suspended territorial claims over Antarctica; (2) barred military activities; (3) prohibited the storing or testing of nuclear weapons there; and (4) assured scientific access to Antarctica for all interested nations.

The Committee will continue to follow implementation of the Marine Living Resources Convention and will also discuss issues related to mineral development, marine mammal and environmental protection, and continued scientific access.

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MINERALS AND MATERIALS POLICY

The United States has become increasingly dependent on foreign sources for supplies of many strategic minerals and materials critically important to national security and economy. This problem is complicated by potential supply interruptions and escalating international competition for these materials. Many U.S. industries also depend on foreign processing of raw materials into usable forms.

The Committee developed the National Materials and Minerals Policy, Research and Development Act of 1980 (P.L. 96–579) to establish responsibilities for addressing problems related to strategic materials. This law required the President to submit a report to the Congress on the development of a national materials policy.

The Committee also will review federal research programs to develop new advanced materials, including high technology ceramics and composites. It has requested a study on advanced materials by the Office of Technology Assessment. The first phase of this study is due in early 1986.

EARTHQUAKE HAZARDS REDUCTION ACT

Each year more than a thousand earthquakes are detected in the United States. Depending on the location and magnitude, earthquakes can cause billions of dollars of property losses and injure or kill tens of thousands of people. In 1985, for example, a major earthquake struck Mexico City, killing over 9,000 persons and damaging over 7,000 buildings.

The Earthquake Hazards Reduction Act of 1977 (P.L. 95–124) was passed to develop a comprehensive national policy and a coordinated program to reduce the hazards and risks of earthquakes. The act directs four Federal agencies (USGS, NSF, NBS, and FEMA) to conduct a variety of activities such as prediction, hazard mitigation, research, earthquake engineering, and response planning for major earthquakes. These activities have been reauthorized through fiscal year 1987.

In 1986, the Committee will conduct oversight activities focusing on the role of earthquake insurance as a tool in mitigating the effects of a major earthquake. The Committee will also continue to evaluate whether lessons learned from the Mexico City earthquakes disaster indicate that changes are needed in the United States' earthquake programs.

SATELLITE POLICY

The United States participated in a World Administrative Radio Conference (WARC) in Geneva in August 1985. This was the first of two international conferences on planning the use of the geostationary orbit by satellites. Last year the Committee held oversight hearings to review the effectiveness of U.S. participation in this conference. The Committee will continue to examine the U.S. position and the adequacy of the U.S. preparations for the second conference in 1988.

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LANDSAT

The Federal Government has operated a land remote sensing satellite (Landsat) system since 1972. Landsat orbits the earth and generates detailed images of the earth's surface. Landsat data have applications in agriculture, cartography, hydrology, and oil and mineral exploration.

The Committee has exercised vigorous oversight of the Federal Government's effort to transfer the Landsat system to the private sector. The Land Remote Sensing Commercialization Act of 1984, which authorized Landsat commercialization, was developed by the Committee. During 1985, the Committee developed legislation which authorized federal funding through fiscal year 1989 for a Landsat commercialization contract. The Committee also held a hearing to review the commercialization contract and other activities relating to Landsat, including regulation of private remote sensing systems, federal research and development in remote sensing, development of a comprehensive national plan for remote sensing, and Federal archiving of remote sensing data.

The Committee continues to be concerned about funding for Landsat commercialization, development of a coherent national plan, and continued availability of remote sensing data for research and educational purposes. Further hearings or legislation may be undertaken during 1986.

DAYLIGHT SAVING TIME

Daylight saving time was established permanently by enactment of the Uniform Time Act of 1966 (P.L. 89-387). In accordance with the act, daylight saving time is observed each year from the last Sunday in April through the last Sunday in October. The DOT is responsible for administration of the act.

During the first session of the 99th Congress, several bills which would extend daylight saving time were introduced. Three such bills are pending before the Committee.

The Subcommittee on Science, Technology, and Space held a hearing to study the effects of extended daylight saving time. Extension of daylight saving time beyond its current 6-month duration is intended to provide economic benefits, energy savings, enhanced traffic safety, and convenience for people who could utilize an extra hour of daylight in the early evening rather than in the early morning. Opponents of the legislation argue that the darker mornings created by daylight saving time are hazardous for schoolchildren and disruptive to the activities of farmers and other rural people.

The Committee intends to consider daylight saving time legislation during the upcoming session.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

The Office of Science and Technology Policy was created under the National Science and Technology Policy, Organization, and Priorities Act of 1976 (P.L. 94-282). The Director's duty is to provide the Executive Office of the President with advice on "the scientific, engineering, and technological aspects of issues that require atten-

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tion at the highest levels of government." The Committee has not held an oversight hearing on the Office since 1980. The Committee recognizes the importance of this office in coordinating national science and engineering policy and will conduct oversight of the Office in 1986, including hearings as needed. It will consider nominees for a new Director of the Office and for Associate Directors, as these nominations are received from the President.

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SURFACE TRANSPORTATION

INTRODUCTION

The Committee is responsible for oversight of the rail, truck, bus, barge, pipeline, and automobile industries both with respect to economic regulation, insofar as it exists, and safety regulation. In connection with this responsibility, the Committee is responsible for the authorization of funds for the Federal Railroad Safety Act, the Local Rail Service Assistance Program, Amtrak, Conrail, the Motor Carrier Safety Act, the Motor Vehicle Information and Cost Savings Act, the Hazardous Liquid Pipeline Safety Act, and the Natural Gas Pipeline Safety Act. Further, the Committee exercises oversight over the Interstate Commerce Commission (ICC), the Federal Railroad Administration (FRA), the Research and Special Programs Administration, and the National Highway Traffic Safety Administration (NHTSA).

AUTHORIZATIONS

AMTRAK

The Railroad Passenger Service Act created Amtrak in 1970 to provide railroad passenger service throughout the United States. Under the act, Amtrak receives federal funding to help cover its operating, capital, and labor protection costs.

During the first session, the Committee held a hearing on Amtrak funding and on the need for any changes in the law governing its operation. On September 24, 1985, the Committee met in Executive Session to consider legislative changes that would achieve savings for the purposes of budget reconciliation, and recommended that such changes include the authorization of appropriations for Amtrak for fiscal years 1986, 1987, and 1988. In turn, during floor consideration of the budget reconciliation bill, the Senate approved a Commerce Committee amendment to make a number of changes in the law that would allow Amtrak to increase revenues and reduce costs so as to operate its system within these authorization levels. This legislation was included in H.R. 3128, the fiscal year 1986 Budget Reconciliation conference report.

During the second session, the Committee expects to revisit the Amtrak authorization issue.

RAILROAD SAFETY

The Federal Railroad Safety Act of 1970 and other railroad safety acts provided for DOT's development and enforcement of regulations to govern rail safety. These acts also provided that states could help enforce the Federal regulations.

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During the first session, the Committee held a hearing on funding for the railroad safety program. On May 9, 1985, the Committee reported S. 1080, a bill to authorize appropriations for rail safety for fiscal years 1986 and 1987. The Senate passed the bill, and, in turn, the House passed it with an amendment and sent it back to the Senate for further consideration. The Committee expects to make further progress on this measure during the second session.

HAZARDOUS MATERIALS TRANSPORTATION

The DOT is the lead agency responsible for establishment and enforcement of regulations to ensure safe transportation of hazardous materials. DOT coordinates these responsibilities with other Federal agencies (Department of Justice, NRC, FEMA, EPA, U.S. Coast Guard, NTSB) as well as state and local authorities. In some instances, jurisdictions overlap, or responsibilities are split depending on type of materials, mode of transportation or federal involvement.

In 1984, the Committee requested the Office of Technology Assessment (OTA) to conduct a study concerning the transportation of hazardous materials, specifically addressing the adequacy of existing data and information systems for regulatory and policy purposes, container technology and testing, and training for enforcement and emergency response. This study will be available in March 1986.

The Hazardous Materials Transportation Administration (HMTA) is scheduled for reauthorization this year. The Committee will hold hearings on HMTA's reauthorization and will carefully review OTA's findings, continue to review DOT's programs, and give special attention to the safety of hazardous materials transportation at federal, state and local levels.

PIPELINE SAFETY

The Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 provided for DOT's development and enforcement of regulations to govern the safe transportation by pipeline of natural gas and other hazardous liquids, such as gasoline and fuel oil. These acts also provided that states could help enforce the Federal regulations.

During the first session, the Committee held a hearing on funding for the pipeline safety program. On April 2, 1985, the Committee favorably reported S. 813, a bill to authorize appropriations for pipeline safety for fiscal years 1986 and 1987. The Senate passed the bill, and sent it to the House for consideration.

The House, in turn, placed pipeline safety authorization language with further amendments in the House reconciliation bill, which, in turn, was included in H.R. 3128, the fiscal year 1986 Budget Reconciliation conference report.

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Other Issues

TRANSPORTATION SAFETY: ALCOHOL AND DRUG ABUSE

The Committee continues to view transportation safety as one of its top priorities. Every year the abuse of alcohol and drugs in the operation of all modes of transportation exacts a tremendous price in loss of life, injury, property damage and medical costs. The Committee intends to hold hearings to examine this problem in detail.

The focus of these hearings will be the role of the Federal Government, labor and management in alleviating this situation. The Committee expects to receive testimony suggesting innovative ways to address this problem and, after assessing the nature and scope of the problem, the Committee will scrutinize current law in this area and decide whether new legislation is needed.

SEAT BELTS/AIR BAGS

In 1984 the Secretary of Transportation issued a new passive restraint standard requiring automobile manufacturers to install passive restraints (passive seat belts, air bags, or energy-absorbing interiors) in new cars. Using a phased-in schedule, all new cars manufactured for sale in the United States on or after September 1, 1989 must be equipped with passive restraints unless states comprising two-thirds of the U.S. population enact mandatory seat belt use laws by April 1, 1989. To date, 15 States and the District of Columbia have passed mandatory seat belt laws. There is some question, however, whether these laws meet the federal standards.

The Committee intends to continue to monitor the DOT's implementation of the program, the effectiveness of the state's laws on mandatory seat belt law use, as well as the public's reaction to the availability on the market from both U.S. and foreign automobile manufacturers of cars equipped with air bags.

INTERSTATE COMMERCE COMMISSION

It is expected that the President's budget will recommend zero funding for the ICC for fiscal year 1987, its 100th birthday.

With this sunset proposal, the Administration's budget anticipates further trucking deregulation and transfer of the ICC's remaining functions to the DOT.

The Committee intends to evaluate carefully this recommendation in light of many comments made in Committee hearings this past year from rail, truck and shipper groups, who maintain that the ICC is unresponsive to their needs and does not properly interpret Congressional intent. Groups further complained about long delays in ICC decisionmaking and the very high costs associated with any petitions to the agency.

At the same time, legislation has been introduced by the Committee's Ranking Democrat and cosponsored by a majority of its members to establish a Motor Carrier Administration within DOT. What efficiencies would be gained by the consolidation of the Department's motor carrier activities to a Motor Carrier Administration, and rail functions to the FRA? These questions will have to be considered early in the coming session. Finally, it is anticipated

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that the Committee will also continue to consider whether further trucking deregulation is appropriate at this time.

CONRAIL

The Northeast Rail Service Act of 1981 (NERSA) provided for the transfer of Conrail from the Federal Government to the private sector. Specifically, it directed the Secretary of Transportation to find a buyer for Conrail, and submit to Congress a sale plan that would promote competitive bidding, ensure continued rail service, and maximize the return on the Federal Government's investment in Conrail. On February 8, 1985, Transportation Secretary Elizabeth Dole announced that she had selected the Norfolk Southern Corporation to purchase Conrail, and would submit a sale plan to Congress.

During the first session, the full Senate Commerce Committee held four days of hearings on the sale plan and on the proposals dealing with Conrail. On March 7, 1985, Chairman Danforth introduced for himself and Senator Hollings S. 638, a bill to implement the sale of Conrail to Norfolk Southern Corporation. On April 30, 1985, the Committee ordered the bill, as amended, to be reported favorably.

On February 4, 1986, the Senate passed S. 638, which is now being considered by the House.

STAGGERS RAIL ACT OF 1980

The Staggers Rail Act of 1980 made significant changes in regulation of the railroad industry by the ICC. These changes were intended to: (1) improve the economic health of the railroad industry; (2) promote more competition and improve rail service; and (3) protect shippers through regulation in the absence of effective competition.

In the first session, the Committee held two days of oversight hearings on the ICC's implementation of the Staggers Act, and on the act's impact on shippers and on the economic health of the railroad industry. In the second session, the Committee expects to hold hearings on S. 477, a bill to amend the Staggers Act.

TRUCK SAFETY

In 1984 truck accidents increased 20 percent. Statistics for 1985 are expected to be higher. On October 29 the Committee held hearings on the Motor Carrier Safety Act of 1984 and received continuing expressions of concern about truck accidents. On December 5, S. 1903 was introduced to respond to some of these concerns. This bill, the "Commercial Motor Vehicle Safety Act of 1985," creates a Motor Vehicle Safety Fund for the receipt of all penalties and fines collected by states at random roadside inspections for violations of Federal safety standards. Trust fund deposits, in turn, are to be reallocated back to the states to encourage even more random roadside inspections of trucks and buses. The bill further establishes a commercial motor vehicle operator's license for interstate truck and bus drivers. The Secretary of Transportation is directed to es-

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tablish minimum federal criteria for issuance of a commercial motor vehicle operator's license by the states.

The Committee expects to hold hearings on this legislation early in the second session. At this time, other recommendations for improving truck and bus safety will be explored.

HIGHWAY SAFETY

The NHTSA within the DOT is responsible for motor vehicle safety on our nation's highways. NHTSA is required to: (1) establish motor vehicle standards; (2) undertake and support safety research and development; (3) order recalls or remedies of automotive defects or failure to comply with safety standards; and (4) provide consumers with information relating to the purchase and maintenance of a motor vehicle. The Committee intends to continue its review of NHTSA's programs. The Committee also will consider legislation to reauthorize NHTSA activities implemented pursuant to the National Traffic and Motor Vehicle Safety Act, the Highway Safety Act, and Motor Vehicle Information and Cost Savings Act.

On April 18, 1985, the Committee ordered favorably reported S. 863, a bill to authorize funds for fiscal year 1986 and 1987 for the National Traffic and Motor Vehicle Safety Act and the Motor Vehicle Information and Cost Savings Act. The bill reprogrammed $20 million of existing funds for the DOT seat belt program; authorized fiscal year 1987 funds for the drunk driving incentive grant program; required DOT to upgrade side impact protection for light trucks, vans, and multipurpose passenger vehicles; required the National Academy of Sciences to study automobile crashworthiness and develop appropriate testing methods; and restricted importation of gray market automobiles.

While title II of this measure was approved by the Senate during the first session as a separate measure, S. 1529, consideration of S. 863 has been delayed on the Senate floor pending efforts to work out compromise on the gray market issue.

The Committee is hopeful that a compromise is near at hand and that the Senate can act on the NHTSA reauthorization bill early in the second session.

FREIGHT FORWARDERS

On July 18, 1985, the Committee favorably reported S. 1124, a bill to eliminate ICC entry and rate regulation over surface freight forwarders, and to remove antitrust immunity for collective ratemaking activities in the freight forwarding industry. The bill passed the Senate on November 4, 1985 by unanimous consent.

The Committee hopes to work toward enactment of freight forwarder deregulation during the coming year.

METHANOL AND ETHANOL

The Methanol and Ethanol Vehicle Incentives Act of 1985, S. 1097, amends the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol, ethanol and natural gas. It was reported out of Committee on July 18, 1985.

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The purpose of S. 1097 is to use the existing federally mandated corporate average fuel economy (CAFE) standards to encourage the production and sale of vehicles capable of operating on alternative fuels. The incentive to automobile manufacturers to produce such vehicles is that their fuel economy ratings would be based on the amount of gasoline consumed (i.e., a methanol powered automobile would operate on a blend of 85 percent methanol and 15 percent gasoline). Dual-fuel or flexible-fuel vehicles (vehicles capable of running on 85 percent alcohol fuel as well as on pure gasoline) would also qualify for this CAFE treatment.

Converting vehicles to methanol, ethanol and natural gas will reduce our dependence on foreign oil, improve air quality and stimulate our economy.

A companion bill, H.R. 2955, was introduced in the House and H.R. 3355, the Methanol Energy Policy Act of 1985, which encompasses S. 1097, has also been introduced.

The Committee expects the Senate to consider S. 1097 during the second session of the 99th Congress.

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